

**VOLUME 1 ISSUE 1** 

### FAIM NEWSLETTER

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AUGUST 1994



FAIM TEAM from left to right: back row -- Anastasia Burton and Sue Skinner, front row - Kim Brown and Sherri Brandewie. Not pictured -- Bonnie Holman.

The FAIM Team (Families Achieving Independence in Montana) of Family Assistance Division, Department of Social and Rehabilitation Services, Helena, Montana, is pleased to announce the FAIM Newsletter (produced quarterly). The newsletter will address issues focusing on the direction Montana's FAIM Project will be taking toward achieving independent living for all families throughout the state.

#### FAIM PHILOSOPHY

"Families Achieving Independence in Montana"

The FAIM program promotes the values of work, responsibility, and family. The opportunity for self-sufficiency will be achieved through the vigorous pursuit of Child Support -- enforcement and collection, immediate employment, and other alternatives to public assistance.

Please read on.

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#### FAIM PURPOSE

Ensure the success of FAIM through efficient, effective and timely implementation while maintaining cost neutrality.

#### FAIM GOALS

Ensure that Welfare Reform focuses on Accountability, Responsibility and Dignity of Families by promoting a strong work ethic and the active pursuit of alternatives to public assistance.

Ensure full communication of Welfare Reform progress, accomplishments and milestones.

Respect the goals, current duties and workload of others.

Ensure the focus of FAIM remains positive throughout development and implementation.

Create alternatives for individuals through development of community partnerships and capitalizing and enhancing existing resources.



## Butte Woman Wins FAIM Logo Contest by

Anastasia Burton

(HELENA) -- The Montana Department of Social and Rehabilitation Services recently selected a winner of its contest to design a logo for the state's welfare reform proposal, "Families Achieving Independence in Montana" (FAIM). Kathleen Cashell, an Eligibility Assistant II with the Human Services office in Butte, was chosen.

The contest was open to all Montana Family Assistance Division employees, including Central Office and Field staff. The goal of the competition was to select artwork that best exemplifies the values of the FAIM program: work, responsibility, family, and self-sufficiency.

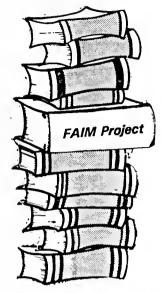
The winning entry is a pen-and-ink line drawing that depicts a family, a diploma, and a clock against a background of mountains, framed by the outline of the state. Cashell said these images are meant to convey "the importance of education and employment, spending time with children, and the abundance of beautiful mountains in our state." Art has been a lifelong interest of Cashell's.

The logo will appear on some Family Assistance Division letterhead, posters, and other promotional items.

Cashell is also a member of the Family Support Services Advisory Council. She was appointed to the Council by Governor Marc Racicot. She has been with the Butte Human Services office for four years.

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On April 25, 1994 Roger La Voie, Family Assistance Division Administrator and Penny Robbe, Welfare Reform Project Coordinator traveled to Washington, D.C. to formally submit Montana's request to reform welfare--"Families Achieving Independence in Montana" (FAIM). This request contains over 70 individual waivers of federal regulations.

A personal presentation of FAIM was made to federal officials at ACF and HCFA headquarters. FNS and Child Support officials were present at the ACF presentation. Roger and Penny also made visits to Senators Conrad Burns and Max Baucus, and Representative Pat Williams, as well as to APWA and the National Governors' Association.

On the afternoon of Friday, July 22, 1994 we received a first response from the federal officials as to the status of the waiver request. (A mere three months after submission!) They listed 68 issues/questions/concerns in that document. However, we have been able to offer responses to all of them, and returned those responses on August 2! We are hoping that the feds will take to heart Montana's earnest effort to be responsive, and will shortly send us "draft" terms and conditions. Those terms and conditions will spell out exactly what Montana must do for approval of our waiver package. We are still very upbeat and positive and are working very hard at justifying why Montana's package should remain intact.

At this time, we still expect that our time line for implementing FAIM should be able to be followed (first county by 10/1/95). (Implementation Schedule found on pages 8-10).

# GAO Issues Reports on Welfare by This Week in Washington



The General Accounting Office (GAO) this week issued three reports on characteristics of families on welfare, focusing on never-married women and minor parents. In Families on Welfare: Sharp Rise in Never-Married Women Reflects Societal Trends (GAO/HEHS-94-92). GAO found that, from 1976 to 1992, the proportion of single women on AFDC who never married more than doubled, the most dramatic change among all single mothers, whose numbers almost tripled in proportion over the same period. The report also found that single women on welfare during the period were more likely to have high school diplomas and fewer children, again paralleling a broader trend among all single mothers. Single women receiving AFDC in 1992 were poorer than in 1976, however, and never-married women receiving AFDC in 1992 were less likely to be teenage mothers than in 1976. In the second report, GAO found that almost half of all single women receiving AFDC gave

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birth as teenagers. Women who give birth as teens are less educated, have larger families, are more likely to never be married, and are more likely to have incomes below 50% of the poverty line. The study also found that, during the period 1976-1992, the proportion of teen mothers on AFDC was about the same. In the final report, Families on Welfare: Focus on Teenage Mothers Could Enhance Welfare Reform efforts (GAO/HEHS 94-112), GAO concludes that the current emphasis on education and work experience under the JOBS Program is an appropriate means of helping young parents avoid longer stays on welfare. "But results from our work, as well as those from other research, also indicate that welfare reform efforts should consider focusing more explicitly on teenage mothers." GAO calls for targeting efforts that narrow the focus of welfare reform on teen parents "rather than all recipients under age 24 with little education or work experience." Copies of the reports can be obtained by calling GAO at (202)512-6000.

"Born often under another sky, placed in the middle of an always moving scene, himself driven by the irresistible torrent which draws all about him, the American has no time to tie himself to anything, he grows accustomed only to change and ends by regarding it as the natural state of man. He feels the need of it, more he loves it; for the instability, instead of meaning disaster to him, seems to give birth only to miracles all about him."

Alexis de Tocqueville French Author 1841



Food Stamp Cash Out

by

Peter S. Blouke, Ph.D.

Montana's welfare reform proposal, "Families Achieving Independence in Montana" (FAIM), is an effort to bring welfare programs closer in line with the values of the people of Montana, including the value we place on personal responsibility and accountability. The proposal is the result of work by literally hundreds of Montana citizens including business leaders, legislators, private citizens, welfare workers, and recipients.

In keeping with these values, we have proposed a program that promotes participant selfsufficiency and responsibility by strengthening supports and incentives for family stability, gainful employment and productive community service.

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Recent editorials and letters to the editor in Montanan newspapers suggest that although the majority of Montanans support welfare reform, one of the more controversial issues is our proposal to "cash out" food stamps. I would like to take this opportunity to explain the Department's rationale for proposing this option.

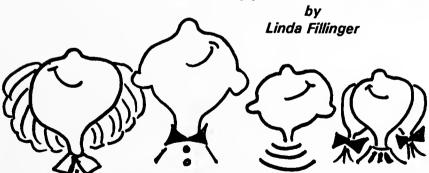
While our FAIM proposal is for a statewide demonstration, the cash out of food stamps will only be offered to participants in the AFDC welfare reform proposal, or approximately 13,866 households of the total Food Stamp population, which is currently 28,229 per month. As a condition of participation in the FAIM program, recipients will be required to sign a self-sufficiency contract that will be monitored and includes provision for their responsible use of all funds provided under existing welfare programs.

We strongly believe that this measure will go a long way in promoting the objectives of the FAIM program by enabling these participants to achieve the goal of personal responsibility and accountability. We also believe the plan will enable our recipients to effectively manage their own affairs. Under these circumstances, a bureaucratic and paternalistic approach would be counterproductive. A hallmark of the Racicot administration is less intrusion and intervention by government in the lives of all Montana citizens.

One of the resources that will be offered to cash out participants is access to information and classes in budgeting and nutrition education. The state's Extension Service program, which is operational in most communities, is very active in the nutrition education area. Our intent is to form a partnership with them in making their information and classes available to all welfare reform participants.

Yes, there will be abuses. A few people will misuse the cash out to buy non-food items. The majority of welfare recipients are on the program for only a short period of time, are responsible and are dedicated to the health and welfare of their children. They will learn and grow from the cash out provision and they will act responsibly.

#### Child Care to Support Welfare Reform Activities



Additional child care resources will be needed to support the increased job seeking activities required under welfare reform. While we have budgeted additional funds for the increased child care needs, the cost neutrality mandate for welfare reform waiver proposals may hamper the success of welfare reform unless alternative child care can be found.

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Some alternative, no-cost or low-cost, child care alternatives have been discussed. Some of these alternatives include:

- 1. Have clients meet their community services obligation by providing child care to participants in other activities. These clients would need to exhibit an interest and an aptitude for being a child care provider. They would need to train with an established family day care provider and meet Department of Family Services (DFS) requirements. Schools and churches could be utilized for the space for the child care facility, since they likely already meet safety requirements for public access.
- 2. Establish day care "drop-in" facilities at JOBS or County offices for participants who must participate in minimal employment and training activities. These "drop-in" facilities could be manned, again by clients meeting community services requirements.
- 3. Ask child care providers in the community to donate a few hours each day during their allowed "over-lap" period. During the over-lap period, providers can legally care for more than their allowed number of children. Clients who are participating in only 10 hours/week of E&T activities could potentially use this over-lap time.

We are open to hearing about other innovative ideas that provide low-cost or no-cost child care alternatives for welfare reform participants. Please call either Kim Brown (444-6676), Sue Skinner (444-4987), Sherri Brandewie (444-1911) or Linda Fillinger (444-1828) if you have any ideas or other comments about this issue.

#### Attitude by Charles Swindoll

The longer I live, the more I realize the impact of attitude on life.

Attitude to me, is more important than the past, than education, than money, than circumstances, than failures, than success, than what other people think, or say, or do.

It is more important than appearance, giftedness, or skill. It will make or break an organization, a school, a home.

The remarkable thing is we have a choice every day regarding the attitude we will embrace for that day.

We cannot change the fact that people will act in a certain way. We cannot change the inevitable. The only thing we can do is play on the one string we have, and that is our attitude...

I am convinced that life is 10% what happens to me and 90% how I react to it. AND so it is with you...

#### Basic Facts

#### MONTANA'S WELFARE REFORM PROPOSAL

Families achieving Independence in Montana (FAIM)

[Please note-the changes outlined below have not yet been approved by the necessary Federal agencies. As of 7/1/94, they are proposals, not policies].

- \* FAIM encompasses changes mainly to the AFDC program, but, peripherally, to the Food Stamp program and to Medicaid for families with children (AFDC-related Medicaid).
- \* AFDC -- Changing the culture of the welfare office and changing the basic program to three programs:

#### CHANGING THE CULTURE OF THE WELFARE OFFICE

For families applying for AFDC, the focus of the welfare office will change from the primary focus of eligibility determination and check-writing, to a primary focus of alternatives to the AFDC program--through child support collections, employment and family responsibility.

#### PATHWAYS PROGRAM

First two years (18 months for two parent households) of program consists of Family Investment Contract completion with participation requirements structured towards families availing themselves of employment and training opportunities.

#### COMMUNITY SERVICE PROGRAM

If family still requires financial assistance at the end of the Transition phase, then AFDC is provided for the children's needs. Adults must complete an average of 20 hours of community service work (if available in the community) to receive the adult portion of the grant.

#### JOB SUPPLEMENT PROGRAM

For families who are eligible to receive AFDC financial assistance, but choose not to, an array of services will be offered. These services include sliding fee scale child care, some medical assistance, Food Stamps, enhanced child support enforcement activities and assistance in applying for the Earned Income Credit as a monthly benefit in the family's paycheck.

\* Major policy changes in AFDC:

Deprivation requirement eliminated.

Monthly reporting and retrospective budgeting eliminated.

Early Periodic Screening, Diagnosis and Treatment (EPSDT) consisting of health screening and immunization participation becomes mandatory.

One vehicle is totally excluded as a resource.

Resource standard increased to \$3000 per family.

Simplify the earned income disregard to \$100 plus 25% of remainder of earned income for the duration of the Transition phase.

Standardize the child care deduction to \$200 per month per child and consider deduction when bill is incurred, rather than paid.

Disregard all earned income of dependent children in school.

Impose a penalty period on adults for non-compliance with program requirements (if good cause does not exist).

Cash out the Food Stamp benefits for AFDC recipients (the value of the Food Stamps will be added to the AFDC grant).

#### \* Major policy changes in Food Stamps:

Resource standard increased to \$3000 per family.

One vehicle is totally excluded as a resource.

Monthly reporting and retrospective budgeting eliminated.

Standardize the child care deduction to \$200 per month per child.

Disregard all educational income of students.

Impose a penalty period on adults for job quit (if good cause does not exist).

#### \* Major policy changes in family-related Medicaid:

Resource standard increased to \$3000 per family.

One vehicle is totally excluded as a resource.

Standardize the child care deduction to \$200 per month per child and consider deduction when bill is incurred rather than when paid.

Disregard all earned income of dependent children who are in school.

Medicaid coverage for adults (including those on AFDC) will consist of a choice of either limited Medicaid coverage (excluding eyeglasses, dental, therapies and hearing aids) or partial payment of premiums for a private health insurance. (Exception is pregnant women who will receive full Medicaid).



Below is the latest draft of the implementation schedule.

The definition of a control site is that approximately 80% of the population will be in the experimental group (FAIM) and 20% will be in the control group (business as usual).

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All other counties would be "treatment" counties. The definition of treatment is that 100% of the population are in the experimental (FAIM) group.

## IMPLEMENTATION CONTROL SITES

#### (Inset Counties Are Treatment)

1.	Lewis and Clark	(10-95)
2.	Lake County	(10-95)
3.	Hill County	(1-96)
	Liberty	
	Chouteau	
	Blaine	
4.	Yellowstone	(1-96)
5.	Rosebud	(1-96)
	Treasure	
6.	Missoula	(1-96)
	Mineral	

## TREATMENT SITES (Balance of State)

Sheridan	Carter	(6-96)
Daniels	Fallon	
Roosevelt	Wibaux	
Richland	Dawson	
McCone		
Garfield		
Prairie		
Custer		
Powder River	<u> </u>	
Valley	Sweet Grass	(8-96)
Phillips	Park	
Petroleum	<i>Meagher</i>	
Musselshell	Judith Basin	
Golden Valley	Fergus	
Big Horn	Wheatland	
Carbon		
Stillwater		
Lincoln		(10-96
Sanders		
Flathead		
Glacier		
Toole		
Pondera		
Teton		

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#### TREATMENT SITES (Cont.)

Beaverhead

Ravalli

Powell Jefferson (12-96)

Cascade Broadwater
Granite Gallatin
Deer Lodge Madison

Silver Bow o O o

Working together families <u>will</u> achieve independence in Montana!



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